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BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

Arizona Corporation Commission

DOCKETED

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JUL 11 2016

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AZ CORP COMMISSION
DOCKET CONTROL

IN THE MATTER OF THE APPLICATION OF
LIBERTY UTILITIES (BELLA VISTA WATER)
CORP., AN ARIZONA CORPORATION, FOR A
DETERMINATION OF THE FAIR VALUE OF ITS
UTILITY PLANTS AND PROPERTY AND FOR
INCREASES IN ITS WATER RATES AND
CHARGES FOR UTILITY SERVICE BASED
THEREON.

DOCKET NO. W-02465A-15-0367

IN THE MATTER OF THE APPLICATION OF
LIBERTY UTILITIES (BELLA VISTA WATER)
CORP., AN ARIZONA CORPORATION, FOR
AUTHORITY TO ISSUE EVIDENCE OF
INDEBTEDNESS IN AN AMOUNT NOT TO
EXCEED \$4,700,000.

DOCKET NO. W-02465A-15-0370

IN THE MATTER OF THE APPLICATION OF
LIBERTY UTILITIES (RIO RICO WATER &
SEWER) CORP., AN ARIZONA CORPORATION,
FOR A DETERMINATION OF THE FAIR VALUE
OF ITS UTILITY PLANTS AND PROPERTY AND
FOR INCREASES IN ITS WATER AND
WASTEWATER RATES AND CHARGES FOR
UTILITY SERVICE BASED THEREON.

DOCKET NO. WS-02676A-15-0368

IN THE MATTER OF THE APPLICATION OF
LIBERTY UTILITIES (RIO RICO WATER &
SEWER) CORP., AN ARIZONA CORPORATION,
FOR AUTHORITY TO ISSUE EVIDENCE OF
INDEBTEDNESS IN AN AMOUNT NOT TO
EXCEED \$8,900,000.

DOCKET NO. WS-02676A-15-0371

PROCEDURAL ORDER

BY THE COMMISSION:

On October 28, 2015, Liberty Utilities (Bella Vista Water) Corp. ("Liberty Bella Vista") filed with the Arizona Corporation Commission ("Commission") in Docket No. W-02465A-15-0367 an application requesting that the Commission establish the fair value of its plant and property used for the provision of public water utility service and, based on such finding, approve permanent rates and charges for utility service designed to produce a fair return thereon.

1 On October 28, 2015, Liberty Utilities (Rio Rico Water & Sewer) Corp. ("Liberty Rio Rico")¹
2 filed with the Commission in Docket No. W-02676A-15-0368 an application requesting that the
3 Commission establish the fair value of its plant and property used for the provision of public water and
4 wastewater utility service and, based on such finding, approve permanent rates and charges for utility
5 service designed to produce a fair return thereon.

6 On November 2, 2015, Liberty Bella Vista filed with the Commission, in Docket No. W-
7 02465A-15-0370, an application requesting authority from the Commission to issue evidence of
8 indebtedness in a total amount not to exceed \$4,700,000.

9 November 2, 2015, Liberty Rio Rico filed with the Commission, in Docket No. W-02676A-15-
10 0371, an application requesting authority from the Commission to issue evidence of indebtedness in a
11 total amount not to exceed \$8,900,000.

12 On November 3, 2015, Liberty filed Motions to Consolidate in both Rate Dockets and both
13 Finance Dockets.

14 On November 25, the Commission's Utilities Division ("Staff") issued a Letter of Sufficiency
15 stating that Liberty's application had met the sufficiency requirements of Arizona Administrative Code
16 ("A.A.C.") R14-2-103 and that Liberty had been classified as a Class B utility.

17 On December 3, 2015, the Residential Utility Consumer Office ("RUCO") filed an Application
18 to Intervene.

19 On December 24, 2015, a Procedural Order was issued consolidating the above reference
20 dockets, scheduling an evidentiary hearing for July 25, 2016, establishing various procedural and filing
21 deadlines, directing the Company to mail and publish notice by March 1, 2016, and granting
22 intervention to RUCO.

23 On January 20, 2016, a Procedural Order was issued correcting the customer notice set forth in
24 the December 24, 2015 Procedural Order.

25 On March 28, 2016, the Western Infrastructure Sustainability Effort ("WISE") filed an
26 Application to Intervene.

27
28 ¹ Liberty Bella Vista and Liberty Rio Rico may be referred to jointly as "Liberty" or "the Company."

On March 31, 2016, the Santa Cruz Valley Unified School District #35 ("School District") filed an Application to Intervene.

On April 1, 2016, Liberty filed a Notice of Filing Certification of Publication and Proof of Mailing.

On May 17, 2016, by Procedural Order, WISE and the School District were granted intervention.

On May 18, 2016, Liberty filed a Consent to Email Service.

Liberty has opted to receive service of all filings in this docket, including all filings by parties and all Procedural Orders and Recommended Opinions and Orders/Recommended Orders issued by the Commission's Hearing Division, via its designated email address rather than via U.S. Mail. Liberty has exercised this option by docketing a hard copy of its Consent to Email Service by sending an email, containing its name and the docket number for this matter, to HearingDivisionServicebyEmail@azcc.gov from its designated email address. The Hearing Division has verified the validity of the designated email address, which now appears on the service list for this matter in addition to Liberty's address for U.S. Mail.

On May 23, 2016, RUCO filed the direct testimony of Robert Mease, John Cassidy and the redacted testimony of Timothy Coley.

On May 23, 2016, Staff filed the direct testimony of Teresa Hunsaker, Crystal Brown, James Armstrong, Michael Thompson and Jian Liu.

On May 31, 2016, Staff filed the rate design direct testimony of Teresa Hunsaker.

On May 31, 2016, RUCO filed the direct testimony on rate design of Timothy Coley.

On June 20, 2016, Liberty filed the rebuttal testimony of Matthew Garlick, William R. Killeen, Peter Eichler, Paul Walker, and Thomas J. Bourassa.

On June 8, 2016, the School District filed a Notice of Withdrawal of Motion to Intervene.

On July 6, 2016, Staff, with the agreement of Liberty, RUCO, and WISE, filed a Joint Motion to Revise Various Filing Deadlines and Reset the Procedural Schedule as Otherwise Necessary.

IT IS THEREFORE ORDERED that the request by Liberty to receive service of all filings in this docket, including all filings by parties and all Procedural Orders and Recommended Opinions and

1 Orders/Recommended Orders issued by the Commission's Hearing Division, via its designated email
2 address rather than via U.S. Mail, is hereby approved.

3 IT IS FURTHER ORDERED that the **evidentiary hearing shall be rescheduled to commence**
4 **on August 1, 2016, at 10:00 a.m., at the offices of the Commission, 1200 West Washington Street,**
5 **Phoenix, Arizona 85007, Hearing Room No. 1.**

6 IT IS FURTHER ORDERED that the **July 25, 2016, hearing will be convened for the**
7 **purpose of taking public comment only.**

8 IT IS FURTHER ORDERED that the **pre-hearing conference scheduled for July 22, 2016,**
9 **shall be vacated.**

10 IT IS FURTHER ORDERED that a **pre-hearing conference shall be held on July 29, 2016,**
11 **at 10:00 a.m., at the Commission's offices.**

12 IT IS FURTHER ORDERED that the **Santa Cruz Valley Unified School District #35's**
13 **Withdrawal of Motion to Intervene is granted.**

14 IT IS FURTHER ORDERED that the deadline for **surrebuttal testimony and associated**
15 **exhibits to be presented at hearing on behalf of staff and intervenors is hereby extended to July**
16 **22, 2016, by no later than 12:00 p.m.**

17 IT IS FURTHER ORDERED that the deadline for **rejoinder testimony and associated**
18 **exhibits to be presented at hearing on behalf of Liberty is hereby extended to July 27, 2016.**

19 IT IS FURTHER ORDERED that **any objections to testimony or exhibits that have been**
20 **pre-filed shall be made before or at the July 29, 2016, pre-hearing conference.**

21 IT IS FURTHER ORDERED that the Ex Parte Rule (A.A.C. R14-3-113 - Unauthorized
22 Communications) applies to this proceeding and shall remain in effect until the Commission's Decision
23 in this matter is final and non-appealable.

24 IT IS FURTHER ORDERED that all parties must comply with Arizona Supreme Court Rules
25 31, 38, and 42 and A.R.S. § 40-243 with respect to practice of law and admission *pro hac vice*.²

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27 ² If a corporation is not represented by an attorney authorized to practice law in Arizona in a proceeding before the
28 Commission, an officer of the corporation may represent the entity as long as the board of directors has authorized such
person to represent it in the matter and such representation is not the person's primary duty to the entity, but secondary or
incidental to other duties relating to the management or operation of the entity, and such person is not receiving separate or

IT IS FURTHER ORDERED that withdrawal of representation must be made in compliance with A.A.C. R14-3-104(E) and Rule 1.16 of the Rules of Professional Conduct (under Arizona Supreme Court Rule 42). Representation before the Commission includes appearances at all hearings and procedural conferences, as well as all Open Meetings for which the matter is scheduled for discussion unless counsel has previously been granted permission to withdraw by the Administrative Law Judge or the Commission.

IT IS FURTHER ORDERED that the time periods specified herein shall not be extended pursuant to Rule 6(a) or (e) of the Rules of Civil Procedure.

IT IS FURTHER ORDERED that the Administrative Law Judge may rescind, alter, amend, or waive any portion of this Procedural Order either by subsequent Procedural Order or by ruling at hearing.

DATED this 11th day of July, 2016.


DWIGHT D. NODES
CHIEF ADMINISTRATIVE LAW JUDGE

Copies of the foregoing mailed/emailed/delivered this 11th day of July, 2016 to:

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Consented to Service by Email

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additional compensation for such representation. See Arizona Supreme Court Rule 31(d)(13). The Commission requires entities to docket evidence of board authorization.

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